

Generation 2004

Newsletter no.4

March 2014

TOP STORY

The great freeze: “it could have been worse” – no, but really?

A loud sigh of relief swept through the EU institutions when at a trilogue meeting on 4 March, EU legislators agreed on a salary increase for EU civil servants of 0.8% for 2012, which decision they finally endorsed on 12 March.

Together with the 2011 zero-round and the 2 year freeze for 2013 and 2014 decided by the Council last year, this amounts to an almost complete 4 year salary freeze. The resulting net loss of purchasing power is a slap in the face to all of those who at their last trip to the supermarket may have wondered about the extraordinary rise of living costs in Brussels (the official inflation rate between 2011 and 2013 was 6.2%, but the felt inflation is much higher) while the situation certainly is no better in Luxembourg, in Ispra and in most other places..

“**It could have been worse**” - blared a tract (see [here](#)) from one of the biggest European staff unions, purportedly quoting the Commission. Oh yes, indeed it could have been much worse, especially for pre-2004 staff if their pre-2004 Gucci benefits (salaries in excess of 10,000 Euros and pension benefits in excess of 7,000 Euros for the average pension) would have been touched, but they weren't! Because - and this now turns the stomach of every post-2004 honest, hardworking official carrying the entire institution on their worn-out backs - they have had ***Super-Dagmar*** who “*fought with the greatest determination*

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to protect the personnel and our civil service from the destructive will of the Council ... during countless discussions and trilogues with the Council". WOW, indeed!!!

But well, let's be more precise on this: Frau Roth-Berendt, honourable rapporteur of the EP for the staff regulations may have had something of a conflict of interest. This was suggested by the 'European Voice' in an article published on 21 December 2011 (see [here](#)) - "German MEP is an intriguing choice for dealing with staff regulation" - which goes on to inform that she is married to the ex-DG for Human Resources - Herr Horst Reichenbach - co-perpetrator of the 2004 reform.

It therefore comes as no surprise that indeed, she fought tooth and nail for the preservation of the 'acquired rights' of the pre-2004s ... leading the post-2004s gracefully to the guillotine for a second time; and the 'good ol'boys' in the Council were duped into thinking that they had achieved a grand victory in battle against their public enemy number one - the EU civil service fat cats, of which one third receive monthly stipends of 10,000 Euros and more - a fact which Mr Cameron had loudly complained about in the run-up to that fatal Council meeting.

And what a [pyrrhic victory](#) this was where in the end, the Council inflicted a 2.6 % *de-facto* cut on *all* salaries across the board, which does not solve very much and does not tackle the root problem. It just postpones once again the real reform that will be necessary further down the line, in 10 or 15 years' time, when pension costs will be higher than the costs for active salaries.

For now, the indecently high salaries of the higher grades will remain a red flag for the Member States and easy target for the Eurosceptic media ... while cutting the already low **salaries of the GF1s, AST1s or AD5s .. which will not yield many savings for the EU coffers and which are not what the Eurosceptics attack anyway!** It is like trying to solve the problem of excessive bonuses for bank executives by cutting the salaries of all other bank employees by half!

The fact is that the 2004 reform introduced new salaries for new recruits that were generally in line with leaner times: less attractive than before, but still reasonably attractive to get qualified candidates (even for an institution that in its career system rates seniority over merit and does not count outside experiences - a huge frustration for many post-2004s).

The only problem was that (very premeditatedly) it did not only leave pre-2004 salaries of thousands of colleagues unaffected, but catapulted many colleagues from the former A4 end-of-career salaries (around 10.000 per month) up towards AD14 salaries in the region of 12,000 per month, not justified by responsibility or experience. This is what caused the public outcry and - dare we say **rightfully** - called Member States to action!

If common sense wasn't such a scarce resource in the institutions compared to hot air and greed, both of which there is **alas** a great abundance, there could have been a much more reasonable and quite 'simple' solution: de-coupling the evolution of pre- and post- 2004 salaries; a system that based on a **transparent and reasonable** method would slowly melt down the unnecessarily high salaries of pre-2004s (and with it all pensions based on these salaries) while discriminating positively to the benefit of post-2004s.

Such a method would not only be better for post-2004, it would also be better for pre-2004, in that they could politically (and morally, if anyone is bothered) justify their consistently higher salaries by pointing out that they are only transitory, and that there is already a method in place to gradually melt them down.

Before anybody gets a seizure, please do remember that such a method has already been in place – for everybody. Over the last 10 years we all have lost roughly 10% of our purchasing power. And the Member States will certainly be tempted to find other ways to cut our salaries by another 10% over the next 10 years. Pity that by doing so, they will (again) further erode the post-2004 salaries, down to "**race-to-the bottom**" levels that will only remain attractive to mediocre graduates and/or those Member States with severe financial and employment problems.

Our decision-makers desperately need to understand that **the present system is not only unfair and divisive and will do great damage to the future of the service they depend on, but that it is financially unsustainable**. So we need a reform of the reform of the reform. We need this sooner rather than later and make no mistake, Generation 2004 will increasingly continue to be the standard-bearer in exposing these truths which are so inconvenient to some.

If we do not manage to decouple the development of the old and the new salaries in the near future, we will eventually be all pushed under the water as collateral damage of the Member States (justifiably) trying to reign in excessive salaries and pension rights. In the meantime we need urgent solidarity action to address the gaps that cause the internal divisions - a system of 'positive discrimination' for post 2004 staff.

To fight for this against the entrenched interests of a **privileged but powerful minority** will be an uphill struggle, but it is a struggle worth fighting for in the interest of all post-2004 colleagues, the thousands of pre-2004 colleagues who recognise and tell us that we are right and ultimately for the future of the European project itself. This is not just the struggle of Generation 2004 but of every staff organisation, union and staff representative worthy of their name. After all the lip-service in sympathy with post-2004, will they finally rise up to the occasion???

Salary adjustments in Luxembourg

Generation 2004 ([Newsletter No. 2, January 2014](#)) had reported about the parliamentary questions posed by Luxembourgish MEP Ms Astrid Lulling to the European Commission asking for a written statement as regards the deterioration in salaries of staff working in Luxembourg (see [here](#) and [here](#)). We now share with you the reply provided by Vice-President Šefčovič on 10 March 2014 on behalf of the Commission:

"The remuneration of contract staff is exclusively determined by the rules laid down in the Staff Regulation of Officials and the Conditions of Employment of Other Servants, which were adopted by means of a regulation. By virtue of Article 288(2) of the TFEU that regulation shall have general application, shall be binding in its entirety and shall be directly applicable in all Member States. Under the case law of the Court of Justice the general principle of superiority of Community law also applies."

Whilst we refrain from commenting on the reply, we would simply like to notify that in Luxembourg taxation rates depend on the family situation of the employee as well as make reference to a definition formulated by the Administrative Tribunal of the International Labour Organization (ILOAT) as regards expatriation allowances:

"The expatriation allowance [...] is intended to compensate for certain disadvantages suffered by persons who are obliged, because of their work, to leave their country of origin and settle abroad." (ILOAT, Judgement No. 2597)

The question on salary adaptations has not yet been replied other than by a sentence added at the end of the note from 10 March 2014!

STOP PRESS: Generation 2004 fights against the REAL blockage of AST careers (see also p2 [here](#))

Following upon the frustration, worry and uncertainty expressed by a large number of AST colleagues about their future after discovering that their posts in Sysper had become labelled as Secretary/Clerk (SC) post, irrelevant of their job title and tasks and with not as much as a courtesy warning email from DG HR, on **25 March** Generation 2004 (in consultation with its lawyers) took the initiative of launching for the benefit of all colleagues concerned a [template for a complaint under Art. 90.2 of the Staff Regulations against the change of type of post from AST to AST/SC](#). We were happy to note that within hours this initiative was endorsed as a common action by the other unions forming the "Recours-2014" group (see [here](#)) and also mirrored by Union Syndicale-Brussels. Incredibly, within 4 short working days, the administration did what it had not done over 4+ long months, suddenly going into overdrive to publish (**31 March** / n.b. deadline for filing complaints) a rather sloppy statement which you may read [here](#).

The response of DG HR does not even touch upon the *main* issue: **on what grounds does it assign an established AST official to a post in a DIFFERENT function group?**

In an atmosphere of mass confusion and frustration for AST colleagues, this late and complicated explanatory statement is not helpful as it only beats around the bush, avoiding the substance of the problem.

Instead, a reasonable approach would have been to avoid including any changes in the **personal** files of officials in Sysper and to reclassify the targeted post as AST/SC, **only after** it has become vacant!

It is simple right, or is it?

In any case, ALL STAFF CONCERNED, PARTICULARLY THOSE WHO HAVE FILED A COMPLAINT:

- 1. make sure that you have informed us about your case/complaint ([email](#))**
- 2. watch out and expect to hear further from us on this issue**

P. S. whilst thankfully most of the unions are with us on this issue, a particular union largely made up of AD 'sky-highs' largely concentrated only on the well-being of other AD 'sky-highs' and who often spams you with communications and petitions of sorts under different disguises, has defined our concern about AST colleagues as "*anxiogène*" and "*totalement inutile*" (see [here](#)). Ah, by the way: this, only 4 days after they had endorsed it in an intra-union exchange of correspondence (available upon request)!!!

G2004 office also in Luxembourg

Generation 2004 now has its own offices also in Luxembourg in the Jean Monnet Building: **JMO B2/027**, which is close to the premises of the Local Staff Committee and other OSPs. You can soon simply pass by and discuss with us issues of your concern during office hours (please see further notification in front of the office on the exact hours) or upon previous agreement.

You may also write to us an e-mail: REP-PERS-OSP-GENERATION-2004-LUX@ec.europa.eu

See you soon
Your LUX Generation 2004 team

A "little-big" success for Generation 2004

Following months of discussion in the Central Staff Committee (CSC), Generation 2004 is happy to report the success of an initiative it has pushed for **allowing post-2004 colleagues to represent the CSC as permanent members in EPSO juries**. Indeed, this possibility is now open to all colleagues from AD 7 upwards whereby it was previously only restricted to AD 9+. We strongly urge all those who are interested and eligible to consult the new **call for expression of interest** [here](#) (see "recent & coming activity") and consider applying.

We need post-2004 colleagues everywhere it matters.

If you identify with what you have read, and share our objectives, [please give us your support TANGIBLY by becoming a member](#).

Whilst **Generation 2004** is the home of EVERYONE who believes in equality, justice and solidarity, it is

- ✓ **the natural home of ALL staff recruited after 01 May 2004**

and de facto,

- ✓ **the natural home of ALL staff recruited from the "new" (2004+) Member States**

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..... and finally some lighter moments ☺☺☺

- ✓ Thanks to our colleagues from **U4U** (the chosen acronym says it all doesn't it?) for the complementary publicity to Generation 2004 [here](#). Please do keep them coming.

AND beginning with this month's newsletter

- ✓ **G2004 song of the month**



(with kind permission) – click , sit back, turn up the volume and listen well (P.S. don't forget to work for an extra 5 minutes 9 seconds before you go home today).

Got any ideas for the G2004 song for next month? Send them along (with "Newsletter" in subject) to our DJ [here](#), together with any letters, ideas, articles, poems and other assorted forms of expression.